

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

Date: May 9, 2005 Expiration Date: 6/30/06

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: POSSIBLE CHANGES TO WIA ALLOCATIONS

The purpose of this information bulletin is to notify you of possible changes to the Workforce Investment Act (WIA) allocation amounts announced in WIA Information Bulletin WIAB04-96, "Formula Allocations for Program Year (PY) 2005–06 and Federal Rescission for PY 2004–05," dated April 26, 2005. The United States Bureau of Labor Statistics (BLS) recently notified us of an error they made in the computation of the Local Area Unemployment Statistics (LAUS) estimates. The LAUS program generates estimates of employment and unemployment for substate areas, including Local Workforce Investment Areas (LWIA). The error consists of an incorrect input to the calculation of employment resulting in an anticipated small change to employment and labor force totals. Among other things, our Labor Market Information Division (LMID) uses these LAUS estimates when calculating formula-allocated amounts of WIA funds to LWIAs.

At this time, we do not know the magnitude of the BLS error or the effect it may have on allocations; however, we wanted to alert the workforce development community of possible changes to WIA allocation amounts and will continue to inform you of any developments on this issue. The BLS has not given us a specific date for releasing corrected data, but has said they intend to issue revised LAUS estimates by June 1, 2005. Once we receive corrected information from BLS, the LMID will analyze it to determine its effect, if any, on formula allocations to LWIAs.

If you have any questions regarding this information bulletin, please contact your Regional Advisor, at (916) 653-6347.

/S/ BOB HERMSMEIER
Chief
Workforce Investment Division